

Company Registration No. 4269261 (England and Wales)

**RICHMOND PHARMACOLOGY LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2008**



# **RICHMOND PHARMACOLOGY LIMITED**

## **COMPANY INFORMATION**

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**Directors**

Dr R Arezina  
Dr J Taubel  
Dr U Lorch  
Mr L Levine  
Mr M Levine  
Prof B Prichard  
Mr M Vaughan

**Secretary**

Dr R Arezina

**Company number**

4269261

**Registered office**

Ground Floor  
Interpower House  
Windsor Way  
Aldershot  
Hampshire  
GU11 1JG

**Auditors**

HLB Vantis Audit plc  
66 Wigmore Street  
London  
W1U 2SB

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# **RICHMOND PHARMACOLOGY LIMITED**

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# **RICHMOND PHARMACOLOGY LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2008**

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The directors present their report and financial statements for the year ended 31 December 2008.

#### **Principal activities and review of the business**

The principal activity of the company continues to be that of the clinical development of drugs on behalf of pharmaceutical companies.

We are pleased to report that due to a solid orderbook going into 2008 and an increased order intake during the year, we were able to grow revenue by 17.4% over 2007 to £8,790k. Our gross margin also increased compared with 2007, but was lower in percentage terms due to margin issues on a particular contract. Administrative expenses fell from 38% of revenue to 33% as we grew the business with no real increase in overhead. As a result, operating profit grew from £175k in 2007 to £185k in 2008. Interest receivable was down on 2007 due to some one-off transactions in 2007 combined with lower average interest rates over the year. Interest payable fell as the outstanding balance on the loans reduced.

There were no changes to the facilities during the year; we continue to operate from the two university hospital sites of St Georges, Tooting and Mayday, Croydon. Presence within these hospitals gives Richmond Pharmacology unrivalled access to patients and consultants across numerous specialties. We were very pleased to work with several new clients during the year further widening our client base and reducing the risk associated with reliance on any one individual client. Our client base is also geographically wide-ranging, minimising risk in any one particular economy.

During the year the business focussed on 4 key areas of Early Phase Studies; First Time Into Human, Thorough QT (TQT) Studies, Bridging Studies and Patient Studies. The business moves into 2009 with a strong orderbook from 2008 and with several contracts under negotiation. We expect 2009 to continue to be cash generating and will continue to be profitable on an annual basis.

In 2008 we continued to develop our training management software tool by expanding its functionality in several areas. Whilst it is not yet available to third parties it is still planned to make this product commercially available. The core module is used to manage, monitor and assess training within a company to ensure compliance with statutory requirements.

Risks facing the business are assessed by the board from time to time, and by the executive directors on a project by project basis each week. Project risk assessment is an integral part of the "green light sign off" process which is mandatory before the start of any trial. Risk mitigation strategies are put in place where necessary and are reviewed regularly. Pricing has been stable over the year and liquidity and cash flow have been good taking into consideration the economic downturn during the second half of the year.

During 2008, Richmond Pharmacology was awarded Standard and Supplementary accreditation status by the MHRA. This cements its position in the UK industry and gives the opportunity of conducting those trials which unaccredited units would not be able to perform.

The Directors are pleased to announce that during 2009 Richmond Pharmacology has become the first and only Clinical Research Organisation to become part of the UKCRC Experimental Medicines Resources Network ([www.ukcrcexpmed.org.uk](http://www.ukcrcexpmed.org.uk)). This is a big step forward in the union of commercial research and hospital based research. All at Richmond Pharmacology are very excited for what the future holds and believe that this union will be good for Richmond Pharmacology, the UKCRC Experimental Medicines Resources and those in the pharmaceutical industry that make use of this resource and union.

#### **Results and dividends**

The results for the year are set out on page 6.

# **RICHMOND PHARMACOLOGY LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2008**

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### **Directors**

The following directors have held office since 1 January 2008:

Dr R Arezina  
Dr J Taubel  
Dr U Lorch  
Mr L Levine  
Mr M Levine  
Prof B Prichard  
Mr M Vaughan

<b>Charitable donations</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
During the year the company made the following payments:		
Charitable donations	9,310	6,500
	<u>          </u>	<u>          </u>

### **Auditors**

The auditors, HLB Vantis Audit plc, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

# **RICHMOND PHARMACOLOGY LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2008**

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### **Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



.....  
Dr R Arezina

**Secretary**

*14 Oct 2009*

# **RICHMOND PHARMACOLOGY LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE SHAREHOLDERS OF RICHMOND PHARMACOLOGY LIMITED**

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We have audited the financial statements of Richmond Pharmacology Limited for the year ended 31 December 2008 set out on pages 6 to 20. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# RICHMOND PHARMACOLOGY LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE SHAREHOLDERS OF RICHMOND PHARMACOLOGY LIMITED

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#### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

*HLB Vantis Audit plc*

HLB Vantis Audit plc

Chartered Accountants  
Registered Auditor

..... 28/10/09

66 Wigmore Street  
London  
W1U 2SB



# RICHMOND PHARMACOLOGY LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2008

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		2008	2007
	Notes	£	£
Turnover	2	8,790,481	7,484,920
Cost of sales		(5,702,154)	(4,448,983)
<b>Gross profit</b>		<b>3,088,327</b>	<b>3,035,937</b>
Administrative expenses		(2,903,165)	(2,861,299)
<b>Operating profit</b>	3	<b>185,162</b>	<b>174,638</b>
Other interest receivable and similar income	4	13,583	44,801
Interest payable and similar charges	5	(50,516)	(57,819)
<b>Profit on ordinary activities before taxation</b>		<b>148,229</b>	<b>161,620</b>
Tax on profit on ordinary activities	6	-	(30,823)
<b>Profit for the year</b>	13	<b>148,229</b>	<b>130,797</b>

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The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

# RICHMOND PHARMACOLOGY LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2008

	Notes	2008		2007	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	7		800,229		971,718
<b>Current assets</b>					
Debtors: amounts falling due within one year	8	1,614,019		1,258,017	
Debtors: amounts falling due after more than one year	8	130,000		130,000	
Cash at bank and in hand		537,752		332,176	
		<u>2,281,771</u>		<u>1,720,193</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(2,447,044)</u>		<u>(1,959,782)</u>	
<b>Net current liabilities</b>			<u>(165,273)</u>		<u>(239,589)</u>
<b>Total assets less current liabilities</b>			634,956		732,129
<b>Creditors: amounts falling due after more than one year</b>	10		<u>(257,980)</u>		<u>(503,382)</u>
			<u>376,976</u>		<u>228,747</u>
<b>Capital and reserves</b>					
Called up share capital	12		8,357		8,357
Share premium account	13		359,500		359,500
Profit and loss account	13		9,119		(139,110)
<b>Shareholders' funds</b>	14		<u>376,976</u>		<u>228,747</u>

Approved by the Board and authorised for issue on 14 October 2009

  
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Dr R Arezina  
Director

Company Registration No. 4269261

# RICHMOND PHARMACOLOGY LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2008

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	£	2008 £	£	2007 £
<b>Net cash inflow from operating activities</b>		502,105		230,197
<b>Returns on investments and servicing of finance</b>				
Interest received	13,583		39,525	
Interest paid	(50,516)		(55,414)	
		<hr/>		<hr/>
<b>Net cash outflow for returns on investments and servicing of finance</b>		(36,933)		(15,889)
<b>Taxation</b>		40,047		5,778
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(70,949)		(183,804)	
		<hr/>		<hr/>
<b>Net cash outflow for capital expenditure</b>		(70,949)		(183,804)
		<hr/>		<hr/>
<b>Net cash inflow before management of liquid resources and financing</b>		434,270		36,282
<b>Financing</b>				
Repayment of long term bank loan	(203,143)		(182,551)	
Repayment of other long term loans	(20,004)		(110,282)	
Capital element of hire purchase contracts	(24,825)		(69,073)	
		<hr/>		<hr/>
<b>Net cash outflow from financing</b>		(247,972)		(361,906)
		<hr/>		<hr/>
<b>Increase/(decrease) in cash in the year</b>		186,298		(325,624)
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# RICHMOND PHARMACOLOGY LIMITED

## NOTES TO THE CASH FLOW STATEMENT

### FOR THE YEAR ENDED 31 DECEMBER 2008

1	Reconciliation of operating profit to net cash inflow from operating activities	2008	2007		
		£	£		
	Operating profit	185,162	174,638		
	Depreciation of tangible assets	242,225	333,379		
	Loss on disposal of tangible assets	214	-		
	(Increase)/decrease in debtors	(396,049)	447,514		
	Increase/(decrease) in creditors within one year	470,553	(725,334)		
	<b>Net cash inflow from operating activities</b>	<u>502,105</u>	<u>230,197</u>		
2	Analysis of net debt	1 January 2008	Cash flow	Other non-cash changes	31 December 2008
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	332,176	205,576	-	537,752
	Bank overdrafts	(29,930)	(19,278)	-	(49,208)
		<u>302,246</u>	<u>186,298</u>	<u>-</u>	<u>488,544</u>
	Debt:				
	Finance leases	(36,132)	24,825	-	(11,307)
	Debts falling due within one year	(221,600)	(19,154)	-	(240,754)
	Debts falling due after one year	(492,465)	242,300	-	(250,165)
		<u>(750,197)</u>	<u>247,971</u>	<u>-</u>	<u>(502,226)</u>
	<b>Net debt</b>	<u>(447,951)</u>	<u>434,269</u>	<u>-</u>	<u>(13,682)</u>
3	Reconciliation of net cash flow to movement in net debt	2008	2007		
		£	£		
	Increase/(decrease) in cash in the year	186,298	(325,624)		
	Cash outflow from decrease in debt and lease financing	247,971	361,906		
	<b>Movement in net debt in the year</b>	<u>434,269</u>	<u>36,282</u>		
	Opening net debt	(447,951)	(484,233)		
	<b>Closing net debt</b>	<u>(13,682)</u>	<u>(447,951)</u>		

# **RICHMOND PHARMACOLOGY LIMITED**

## **NOTES TO THE CASH FLOW STATEMENT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2008***

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### **4 Liquid resources**

Under Financial Reporting Standard 1, "Cash flow statements (revised 1996)", cash is defined as cash in hand, deposits repayable on demand without penalty and overdrafts. Short term deposits and investments are not considered to meet this definition and are therefore classified as liquid resources.

# **RICHMOND PHARMACOLOGY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2008**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### **1.3 Turnover**

Turnover represents the amounts invoiced to clients in line with the contractual obligations relating to each clinical trial study, net of Value Added Tax.

Profit is recognised on each clinical trial study, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account the turnover and the related costs as each study progresses.

#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold buildings	over the period of the lease
Computer and medical equipment	over 3 - 10 years
Software cost	over 3 years
Fixtures, fittings & equipment	over 4 years
Motor vehicles	over 4 years

Software costs have not been depreciated as the software had not been brought into use at the balance sheet date.

#### **1.5 Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term or their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **1.6 Long term contracts**

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

#### **1.7 Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

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# RICHMOND PHARMACOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

### 1 Accounting policies

(continued)

#### 1.8 Deferred taxation

Where material, deferred tax is provided in full, as required by FRS 19 - Deferred Tax, in respect of timing differences between the treatment of certain items for taxation and accounting purposes.

#### 1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

### 3 Operating profit

	2008	2007
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	242,225	333,379
Loss on disposal of tangible assets	214	-
Loss on foreign exchange transactions	-	253
Operating lease rentals	394,660	363,030
Auditors' remuneration (including expenses and benefits in kind)	18,000	18,000
and after crediting:		
Profit on foreign exchange transactions	(13,534)	-

### 4 Investment income

	2008	2007
	£	£
Bank interest	13,583	39,525
Other interest	-	5,276
	<u>13,583</u>	<u>44,801</u>

# RICHMOND PHARMACOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2008**

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<b>5 Interest payable</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	45,286	63,344
Hire purchase interest	875	(14,616)
On overdue tax	-	(95)
Other interest	4,355	9,186
	<u>50,516</u>	<u>57,819</u>



# RICHMOND PHARMACOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

6 Taxation	2008 £	2007 £
<b>Domestic current year tax</b>		
Adjustment for prior years	-	(45,528)
	<hr/>	<hr/>
<b>Current tax charge</b>	-	(45,528)
<b>Deferred tax</b>		
Deferred tax charge/credit current year	-	76,351
	<hr/>	<hr/>
	-	30,823
	<hr/> <hr/>	<hr/> <hr/>
<b>Factors affecting the tax charge for the year</b>		
Profit on ordinary activities before taxation	148,229	161,620
	<hr/> <hr/>	<hr/> <hr/>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2007 - 19.75%)	31,128	31,920
	<hr/>	<hr/>
Effects of:		
Non deductible expenses	17,950	3,947
Depreciation add back	50,867	65,842
Capital allowances	(33,814)	(37,056)
Research & development tax credit	(152,390)	(134,559)
Tax losses utilised	(2,852)	(4,036)
Tax losses generated	89,111	73,942
Adjustments to prior periods	-	(45,528)
	<hr/>	<hr/>
	(31,128)	(77,448)
	<hr/>	<hr/>
<b>Current tax charge</b>	-	(45,528)
	<hr/> <hr/>	<hr/> <hr/>

The company has estimated tax losses of £3.2m (2007: £2.8m) available to carry forward. No provision for a deferred tax asset has been recognised on the basis that the asset is unlikely to be realised in the foreseeable future. The tax losses carried forward which have not been provided for would give rise to a potential deferred tax asset of £670,000 (2007: £550,000).

# RICHMOND PHARMACOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

### 7 Tangible fixed assets

	Leasehold buildings	Computer and medical equipment	Software cost	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 January 2008	1,117,812	1,200,817	70,000	72,764	16,460	2,477,853
Additions	11,616	51,335	-	7,999	-	70,950
Disposals	-	(7,502)	-	(370)	-	(7,872)
At 31 December 2008	1,129,428	1,244,650	70,000	80,393	16,460	2,540,931
<b>Depreciation</b>						
At 1 January 2008	796,062	645,210	-	61,777	3,086	1,506,135
On disposals	-	(7,288)	-	(370)	-	(7,658)
Charge for the year	125,321	102,783	-	10,006	4,115	242,225
At 31 December 2008	921,383	740,705	-	71,413	7,201	1,740,702
<b>Net book value</b>						
At 31 December 2008	208,045	503,945	70,000	8,980	9,259	800,229
At 31 December 2007	321,750	555,607	70,000	10,987	13,374	971,718

Included above are assets held under finance leases or hire purchase contracts as follows:

	Medical equipment	Motor vehicles	Total
	£	£	£
<b>Net book values</b>			
At 31 December 2008	-	9,259	9,259
At 31 December 2007	98,300	13,374	111,674
<b>Depreciation charge for the year</b>			
At 31 December 2008	-	4,115	4,115
At 31 December 2007	52,939	3,086	56,025

Software costs have not been depreciated as the software had not been brought into use at the balance sheet date.

# RICHMOND PHARMACOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

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8 Debtors	2008	2007
	£	£
Trade debtors	1,077,294	835,381
Amounts recoverable on long term contracts	370,727	294,696
Corporation tax	-	40,047
Other debtors	186,677	130,000
Prepayments and accrued income	109,321	87,893
	<u>1,744,019</u>	<u>1,388,017</u>

Amounts falling due after more than one year and included in the debtors above are:

	2008	2007
	£	£
Other debtors	<u>130,000</u>	<u>130,000</u>

A rent deposit deed exists in favour of Mayday Healthcare NHS Trust to the value of £130,000.

9 Creditors: amounts falling due within one year	2008	2007
	£	£
Bank loans and overdrafts	269,958	231,526
Payments received on account	437,314	416,228
Net obligations under hire purchase contracts	3,492	25,215
Trade creditors	1,256,984	580,820
Taxes and social security costs	213,146	114,242
Directors' current accounts	10,242	10,569
Other creditors	30,528	52,948
Accruals and deferred income	225,380	528,234
	<u>2,447,044</u>	<u>1,959,782</u>

The company has a fixed and floating charge over its assets in favour of Barclays Bank plc. The amount outstanding at the year end was £452,598 (2007: £655,740).

A Limited Guarantee amounting to £70,000 has also been given to Barclays Bank plc, from Dr R Arezina, Dr J Taubel and Dr U Lorch.

# RICHMOND PHARMACOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

10 Creditors: amounts falling due after more than one year	2008 £	2007 £
Bank loans	231,848	454,144
Other loans	18,317	38,321
Net obligations under hire purchase contracts	7,815	10,917
	<u>257,980</u>	<u>503,382</u>
<b>Analysis of loans</b>		
Wholly repayable within five years	490,919	714,065
	<u>490,919</u>	<u>714,065</u>
Included in current liabilities	(240,754)	(221,600)
	<u>250,165</u>	<u>492,465</u>
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	250,165	240,754
In more than two years but not more than five years	-	251,711
	<u>250,165</u>	<u>492,465</u>
<b>Net obligations under hire purchase contracts</b>		
Repayable within one year	3,492	25,215
Repayable between one and five years	7,815	10,917
	<u>11,307</u>	<u>36,132</u>
Included in liabilities falling due within one year	(3,492)	(25,215)
	<u>7,815</u>	<u>10,917</u>
<b>11 Pension and other post-retirement benefit commitments</b>		
<b>Defined contribution</b>		
	2008 £	2007 £
Contributions payable by the company for the year	28,944	10,701
	<u>28,944</u>	<u>10,701</u>

# RICHMOND PHARMACOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

12 Share capital	2008 £	2007 £
<b>Authorised</b>		
1,000,000 A Ordinary shares of 5p each	50,000	50,000
1,000,000 B Ordinary shares of 5p each	50,000	50,000
	<u>100,000</u>	<u>100,000</u>
<b>Allotted, called up and fully paid</b>		
93,600 A Ordinary shares of 5p each	4,680	4,680
73,543 B Ordinary shares of 5p each	3,677	3,677
	<u>8,357</u>	<u>8,357</u>

The A and B Ordinary shares rank pari passu in all respects.

13 Statement of movements on reserves	Share premium account £	Profit and loss account £
Balance at 1 January 2008	359,500	(139,110)
Profit for the year	-	148,229
	<u>359,500</u>	<u>9,119</u>

14 Reconciliation of movements in shareholders' funds	2008 £	2007 £
Profit for the financial year	148,229	130,797
Opening shareholders' funds	228,747	97,950
	<u>376,976</u>	<u>228,747</u>

# RICHMOND PHARMACOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2008

#### 15 Financial commitments

At 31 December 2008 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2009:

	Land and buildings		Other	
	2008	2007	2008	2007
	£	£	£	£
Operating leases which expire:				
Within one year	260,000	-	-	3,007
Between two and five years	-	260,000	-	-
	<u>260,000</u>	<u>260,000</u>	<u>-</u>	<u>3,007</u>

#### 16 Directors' emoluments

	2008	2007
	£	£
Emoluments for qualifying services	<u>561,100</u>	<u>570,511</u>
Emoluments disclosed above include the following amounts paid to the highest paid director:		
Emoluments for qualifying services	<u>134,275</u>	<u>146,231</u>

# RICHMOND PHARMACOLOGY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2008

### 17 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was:

	2008 Number	2007 Number
Number of clinical research staff	83	89
Number of administration staff	21	24
Number of management staff	4	3
	<u>108</u>	<u>116</u>

#### Employment costs

	2008 £	2007 £
Wages and salaries	3,960,143	3,437,487
Social security costs	343,866	306,843
Other pension costs	28,944	10,701
	<u>4,332,953</u>	<u>3,755,031</u>

### 18 Related party transactions

At the balance sheet date the company owed Chester Overseas Limited £38,321 (2007: £58,325) by way of a loan, on which interest of £4,841 (2007: £6,537) was paid. The families of Mr L Levine and Mr M Levine have an interest in Chester Overseas Limited.